

Intro to business assignment 2



Topic A: Dear Mr. XYZ, Hope you are in the best of health. After having done business for over 10 years now, I feel immensely pleased to extend our relationship in this jeans business by taking advantage of what modern technology has to offer us. In an attempt to take our business ties to the next level, our company has decided to engage in web conferencing with you and your team. In the past few months our company has realized high expenses owing to the global recession which has driven down economic activity in the marketplace and forced us to control our costs more effectively. The quality control department has just informed us of the need to cut corners in other areas such as travel in order to devote more amount of resources to ensuring quality of our jeans. We realize that this shall ultimately benefit our valued customers and lead to a stronger reputation of our business in years to come. Your co operation in this regard shall be highly appreciated. Sincerely, Mr. ABC

Topic B: In corporations, the interests of the stockholders are largely protected by the Board of Directors who are appointed by the former to take decisions in favor of them. The Board of Directors are paid handsome amount including stock options, compensation packages etc. and are appointed under fiduciary obligation that entices them to run the company in a way that benefits the stockholders. However, as far as the legal obligations are concerned, the penalty for not acting in the interests of shareholders varies because of difficulties for the Court in assessing the decision taken (Lawrence & Weber, 2010). The fact that shareholders vote for the Board of Directors makes the latter liable to perform in the interests of the former because if that doesn't happen then the shareholders have the power to dismiss the directors. The concept is similar to that of voting under democracy. To this end, an individual

shareholder has the tendency of thinking that his vote shall make no impact on the outcome; hence, he ceases to invest time and energy in assessing the workings of a company (Lawrence & Weber, 2010). However, this problem can be done away with because of the fact that public limited company's shares are transferrable (Lawrence & Weber, 2010). Thus, transferring shares to a more concerned shareholder gives him the opportunity to wisely exercise his voting power and ensure stockholder wealth is maximized. Thus, it can be concluded that the stockholder is greatly dependent on other elements of a company to ensure protection of his rights (Lawrence & Weber, 2010).

Topic A -A: I have a passion for singing. Music is something without which I would find myself incomplete, hence, no matter where I am I find myself singing to a tune or a catchy jingle. I feel I can sing very well with my guitar which I shall learn through tutorials online. I have a die-hard ambition of starting my business as an entrepreneur and set up my own rock band with my friends where I would debut with my favorite songs and set up a strong distribution of my recorded CDs. I would also play live at concerts and conduct underground jamming sessions at rock cafes. For doing so, however, I realize I would require a lot of funds largely for promotional effort, including banners and posters at colleges and undergrad schools in order to make audience aware of my band and its capabilities. Furthermore, at the initial stage, I might be paid very little, perhaps nothing at all, which means I could have shortage of cash flow. However, drawing from my personal savings and pooling resources with my friends I can translate my dream into reality. Thus, in the coming years I would be required to save more and draft a rough plan with my friends as to how the business will work by putting things on paper. Also, I would be required to contact media personnel in the

industry and ask for their advice on how to go about it. Since I have sufficient contacts in this industry and I believe I can use my strong networking skills to get to the level where I want. The idea is that initially I will work in the band, and after its success, the members shall split and I will make an identity of my own. I might take a break into the music industry by participating in a music reality show where I get awareness and recognition.

References: Lawrence, A. T., & Weber, J. (2010). *Business and Society: Stakeholders, Ethics, Public Policy* . New Delhi: Tata Mc Graw-Hill.